

E-Filed  
August 14, 2006

Andrew M. Brumby, Esq.  
Florida Bar No. 0650080  
Shutts & Bowen LLP  
300 South Orange Avenue, Suite 1000  
P.O. Box 4956  
Orlando, Florida 32802-4956  
Telephone: 407-423-3200  
Facsimile: 407-425-8316  
E-mail: abrumby@shutts-law.com

and

R. Vaughn Gourley, Esq.  
Nevada Bar No. 0503  
Stephens, Gourley & Bywater  
3636 North Rancho Drive  
Las Vegas, Nevada 89130  
Telephone: 702-656-2355  
Facsimile: 702-656-2776  
E-mail: vgourley@lvcm.com

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEVADA

In re:

USA COMMERCIAL MORTGAGE COMPANY,  
Debtor.

CASE NOS: BK-5-06-10726 LBR  
CASE NOS: BK-5-06-10727 LBR  
CASE NOS. BK-5-06-10728 LBR  
CASE NOS. BK-5-06-10729 LBR  
CHAPTER 11

In re:

USA CAPITAL REALTY ADVISORS, LLC,  
Debtor.

JOINTLY ADMINISTERED UNDER  
CASE NO. BK-5-06-10725-LBR

In re:

USA CAPITAL DIVERSIFIED TRUST DEED FUND,  
LLC,  
Debtor.

In re:

USA SECURITIES, LLC,  
Debtor.

Affects:

- ☐ All Debtors
- ☒ USA Commercial Mortgage Co.
- ☐ USA Securities, LLC
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed
- ☒ USA First Trust Deed Fund, LLC

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August \_\_, 2006

**SUPPLEMENTAL AFFIDAVIT OF GEORGE VENTURELLA  
IN SUPPORT OF STANDARD DEVELOPMENT PROPERTY,  
LLC'S MOTION FOR RELIEF FROM THE AUTOMATIC STAY**

CAME BEFORE the undersigned officer duly authorized to administer oath George Venturella ("Venturella"), and after first being duly sworn, stated that the following facts are true and correct and within his personal knowledge.

1. My name is George Venturella; I am over the age of 18. I am the managing member of Standard Property Development LLC ("Movant"), and am authorized to give this affidavit on its behalf. I am competent to testify with respect to the matters set forth herein. This affidavit is filed in supplement to my affidavit filed on July 19, 2006 (the "Original Affidavit").

2. Attached hereto and incorporated herein as Exhibit 1 is a true and correct copy of the First Amendment to Loan Documents by and between Movant and the Direct Lenders identified on Exhibit A to the First Amendment to Loan Documents. The purpose of the First Amendment to Loan Documents was to evidence the initial construction advance of \$1.4 million on the construction funding under the earlier loan commitment made by the Direct Lenders (as defined in the Original Affidavit) to Movant.

3. Attached hereto and incorporated herein as Exhibit 2 is a true and correct copy of a letter dated August 4, 2006 from USA Commercial Mortgage Company, as the agent for the Direct Lenders, to Movant declaring a default under the terms of the Note and other Loan Documents, as defined in the Original Affidavit. Such letter suggests that should the indebtedness not be paid on or before August 17, 2006, the Direct Lenders, acting through their agent, USA

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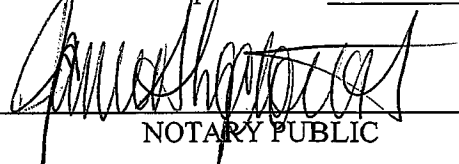
Commercial Mortgage Company, intend to institute legal action against Movant and/or its members.

FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
GEORGE VENTURELLA

Sworn to and subscribed before me this 10 day of August, 2006 by George Venturella, to me personally known or who has produced \_\_\_\_\_ as identification and who did/did not take an oath.



  
\_\_\_\_\_  
NOTARY PUBLIC

Typed or Printed Name of Notary \_\_\_\_\_  
My commission expires: \_\_\_\_\_  
Serial No., if any: \_\_\_\_\_

**CERTIFICATE OF SERVICE**

This is to certify that I have this 14 day of August 2006, served a copy of the foregoing by regular U.S. Mail, postage prepaid thereon, to those persons set forth on the attached matrix.

/s/ Andrew M. Brumby  
Andrew M. Brumby, Esq.

## FIRST AMENDMENT TO LOAN DOCUMENTS

Reference is made to that certain Construction Loan Agreement (the "Loan Agreement"), dated as of February 27, 2006 by and between **STANDARD PROPERTY DEVELOPMENT, LLC**, a Florida limited liability company ("Borrower"), and those persons listed on Exhibit "A" thereto ("Lenders"). Capitalized terms used but not otherwise defined herein are used with the same meanings assigned to them in the Loan Agreement.

### RECITALS

A. WHEREAS Section 3.2 of the Loan Agreement provides for increases in the Loan Amount up to \$17,750,000; and

B. WHEREAS the Loan is evidenced by a Note dated February 27, 2006 in the principal amount of \$17,750,000, of which \$8,240,000 (Loan Amount) has been advanced as of the date of this amendment, and which Note is secured by a Mortgage dated February 27, 2006, recorded on or about March 3, 2006 in the Official Records of Orange County, State of Florida; and

C. WHEREAS, Borrower has requested an increase in the Loan Amount of \$1,400,000 and USA is willing to and has arranged for such increase.

D. WHEREAS **George Venturella and Steven Parmee** (collectively "Guarantor") guaranteed the Loan, and explicitly agreed that his guaranty would remain valid and enforceable in the event the Loan was modified;

NOW, THEREFORE, Lender, Borrower, Guarantor, and USA hereby agree as follows:

1. Increase in Loan Amount. The Loan Amount advanced is hereby increased from \$8,240,000 to \$9,640,000. Interest on the additional \$1,400,000 shall begin to accrue at the close of escrow of the additional advance.

2. Amendment of Note. The Note is hereby amended by adding thereto a new Exhibit "A," in the form attached hereto describing the Lenders.

3. Amendment of Mortgage. The Mortgage is hereby amended to add the new Mortgagees to include the new investors and reflect the revised percentage interests on each in the amount secured, and to add a new Exhibit "A" to reflect these changes. In connection therewith, Borrower agrees to execute and deliver for recording an amendment to the Mortgage in the form annexed hereto as Exhibit "B." Borrower also agrees to pay all costs and expenses in connection with recording the amendment, as well as the cost of an endorsement to the Title Insurance Policy to reflect these changes.

4. Incorporation with Loan Documents. This Amendment modifies the Loan Documents as specifically recited herein, and is incorporated as an amendment to the Note, Mortgage, and Loan


Agreement. Except as modified hereby, all terms, covenants and conditions of the Loan Documents remain unchanged.

5. Affirmation of Guaranty. Guarantors hereby reaffirm that their Guaranty remains in full force and effect, as expressly set forth therein, after this Amendment becomes effective.



6. Validity of Loan Documents; No Defenses. Borrower represents and acknowledges that the Mortgage and all other Loan Documents are in full force and effect, and that Borrower has no knowledge of any defense to the validity or enforceability of any of them.

Dated this 15 day of March, 2006.

**BORROWERS:**      **Standard Property Development, LLC,**  
a Florida limited liability company

By:   
George Venturella, Manager

**GUARANTOR:**

  
George Venturella  
  
Steven Parmee

**LENDER:**      **USA Commercial Mortgage Company, Attorney-in-Fact**

By: \_\_\_\_\_  
Joseph D. Milanowski, President

**EXHIBIT "A"**LENDER

<u>NAMES</u>	<u>AMOUNT</u>
1 Premiere Holdings Inc. Defined Benefit Pension Plan & Trust	\$50,000
2 Anne E. Abrams Trustee of the Abrams Living Trust dtd 10/23/96	\$50,000
3 Sidney R. Adams and Lisa Adams Investment Account	\$60,000
4 August J. Amaral Inc. a Nevada corporation	\$100,000
5 Charles B. Anderson Trustee of the Charles B. Anderson Trust	\$100,000
6 First Savings Bank Custodian for Edwin E. Arnold IRA	\$50,000
7 Louise M. Barker a widower	\$50,000
8 Harriet Bender Trustee of The Bender Family Trust By-Pass Trust dated 7/30/92	\$100,000
9 Robert B. Bender & Paula S. Bender husband & wife as joint tenants with right of survivorship	\$250,000
10 Land Exchange Accommodators	\$300,000
11 Peter A. Bolino & Fabiola A. Bolino Trustees of the Bolino Family Revocable Trust dated 3/6/95	\$60,000
12 James R. Bonfiglio & Donna M. Bonfiglio General Partners of the Broadwalk Investments Limited Partnership	\$100,000
13 Jerome Bresson Trustee of the Jerome Bresson Revocable Trust dated 12/1/89	\$100,000
14 Michael T. Bridges Trustee of the Bridges Family Trust	\$100,000
15 William L. Brogan & Dyxreen L. Brogan husband and wife as joint tenants with right of survivorship	\$50,000
16 Charles R. Brooks and Wendy S. Brooks husband and wife as joint tenants with right of survivorship	\$50,000
17 Howard D. Brooks & Doreen C. Brooks Trustees of the Brooks Living Trust dated 6/30/97	\$50,000
18 Richard L. Cadieux & Clara M. Cadieux husband & wife as joint tenants with right of survivorship	\$100,000
19 Peter W. Capone & Deidre D. Capone husband & wife as joint tenants with right of survivorship	\$50,000
20 James B. Cardwell & Reba Jo Cardwell Trustees of the Cardwell Family Trust	\$495,000
21 James B. Cardwell Trustee of the Cardwell Charitable Trust	\$339,000
22 Reba Jo Cardwell a married woman dealing with her sole and separate property	\$100,000
23 Tracy Cavin Trustee Of The Tracy Cavin Family Trust UTD 11/10/03	\$60,000
24 Bernard Cohen and Elaine Cohen Trustees of the Bernard Cohen Trust dated 3/24/88	\$50,000

25	Gareth A. R. Craner Trustee of The Gareth A. R. Craner Trust Dtd 6/01/02	\$50,000
26	Richard N. Dahlke a married man dealing with his sole & separate property	\$50,000
27	Monica J. Della an unmarried woman	\$50,000
28	First Savings Bank Custodian For George A. Di Gioia IRA	\$85,000
29	Patrick J. Doyle and Jill M. Doyle Trustees of the Doyle Family Trust dated 9/23/1999	\$50,000
30	Charles B. Dunn IV Trustee of the Charles B. Dunn IV Trust dated 8/12/05	\$50,000
31	William Dupin & Penny Dupin husband & wife as joint tenants with right of survivorship	\$50,000
32	Ellis L. Elgart and Sivia V. Elgart Trustees of the Ellis L. Elgart Revocable Living Trust dated 7/8/02	\$50,000
33	Sagrario T. Evers Trustee of the Sagrario T. Evers Living Trust dated 5/1/01	\$50,000
34	Joseph A. Farrah & Emily T. Farrah Trustees of the Farrah Family Trust dated 9/18/03.	\$50,000
35	Dionisio A. Fernandes MD and Fiola Fernandes husband and wife Joint Tenants with Right of Survivorship	\$50,000
36	Seymour Frank a married man dealing with his sole and separate property	\$50,000
37	Anthony Fruscione and Lyda Fruscione Trustees of The Fruscione Family Trust dated 11/21/2005.	\$50,000
38	Theodore J. Fuller and Joan L. Fuller Trustee of the Fuller Family Trust dated 5/29/97	\$50,000
39	Ronald G. Gardner Trustee of the Ronald G. Gardner Trust	\$200,000
40	First Savings Bank custodian for Richard W. Gilmour IRA	\$50,000
41	Theodora Gottwald an unmarried woman	\$50,000
42	William Harrison Goulding and Elizabeth R. Goulding husband & wife as joint tenants with right of survivorship	\$50,000
43	David W. Grace & Denise Grace Trustees of the David W. Grace & Denise Grace Family Trust dated 10/18/96	\$50,000
44	Jeff Hacker an unmarried man	\$50,000
45	James W. Hale Sr. an unmarried man	\$50,000
46	Joanne A. Halvorson a married woman dealing with her sole & separate property	\$50,000
47	Christian K. Hartmann & Katharina Hartmann Trustees of the Hartmann 1997 Trust U/A dated 1/29/97	\$90,000
48	Raymond G. Hawkins an unmarried man	\$200,000
49	Diane H. Higgins a married woman dealing with her sole and separate property	\$100,000
50	Robert Hitchins an unmarried man	\$50,000

51	John A. Hoglund & Patricia O. Hoglund husband & wife as joint tenants with right of survivorship	\$50,000
52	John M. Hoover & Suzanne J. Hoover Trustees of the Hoover Family 1985 Trust dated 4/3/85	\$125,000
53	Richard Houlihan a single man	\$50,000
54	Milton P Kaplan MD TTEE FBO the Milton P Kaplan Profit Sharing Plan Dtd 10/1/77	\$50,000
55	G. Robert Knoles and Christina G. Knoles husband and wife as joint tenants with the rights of survivorship	\$50,000
56	Patrice A. Labossiere a single woman dealing with her sole and separate property	\$50,000
57	Renee Leff-Kaplan a married woman dealing with her sole and separate property	\$50,000
58	F. Ted Lemons	\$50,000
59	James E. Lofton & Denise G. Lofton husband & wife as joint tenants with right of survivorship	\$50,000
60	Mary Council Mayfield Trustee of the Hazel R. Council Trust dated 9/23/05	\$50,000
61	Rudy Leroy McTee & Sharon Kaye McTee Trustees of the R & S McTee 1995 Trust dated 4/20/95	\$50,000
62	Joseph E. Mele a married man dealing with his sole and separate property	\$100,000
63	Don D. Meyer an unmarried man & Dennis E. Hein an unmarried man as joint tenants with right of survivorship	\$50,000
64	Michaelian Holdings LLC a Nevada limited liability company	\$100,000
65	Mahendra C. Mody a single man	\$75,000
66	Monighetti Inc. a Nevada corporation	\$50,000
67	Wesley L. Monroe & Jeannie M. Monroe as joint tenants with right of survivorship	\$200,000
68	Daniel D. Newman Trustee of the Daniel D. Newman Trust dated 11/1/92	\$50,000
69	Roger Noorthoek an unmarried man	\$50,000
70	Robert L. Ogren Trustee for the benefit of the Robert L. Ogren Trust dated 6/30/92	\$100,000
71	Philip A. Palmintere & Nanci S. Palmintere Trustees of the Palmintere Revocable Trust dated 6/19/98	\$50,000
72	Mojave Canyon Inc. a Nevada Corporation; J.B. Partain President	\$125,000
73	First Savings Bank Custodian For C. Nicholas Pereos IRA	\$50,000
74	Beaux Pontak and Denise Pontak husband and wife as Joint Tenants With Right of Survivorship	\$50,000
75	Stephanie K. Resley an unmarried woman	\$50,000
76	Larry L. Rieger & Patsy R. Rieger Trustees of the Larry L. Rieger & Patsy R. Rieger Revocable Trust dated 8/14/91	\$50,000

77	Seymour H. Rosenberg Trustee of the Seymour H. Rosenberg Revocable Trust dated 11/20/03	\$50,000
78	First Savings Bank Custodian For Robert A. Schell IRA	\$50,000
79	Karl O. Schelling a married man dealing with his sole & separate property	\$50,000
80	Walter E. Seebach Trustee of the Walter E. Seebach Living Trust dated 11/1/85	\$75,000
81	First Savings Bank Custodian For James W. Shaw IRA	\$60,000
82	Michael Shubic	\$25,000
83	Tommie W. Sisk a divorced man	\$50,000
84	Donald J. Smith & Shirley M. Smith Trustees of the Donald J. Smith & Shirley M. Smith Trust	\$100,000
85	Terrance H. Smith a single man	\$100,000
86	First Trust Co. of Onaga Custodian For Robert Speckert IRA	\$100,000
87	Jennifer Chong Stalder Trustee of the Chong Chu Stalder Trust dated 4/19/90	\$50,000
88	Nicholas A. Steinmetz & Cynthia M. Steinmetz Trustees of the 2001 Steinmetz Family Trust	\$50,000
89	Gordon N. Stimpson & Marjorie I. Stimpson Co-Trustees of The Stimpson Family Trust Dated 5/9/00	\$50,000
90	Bertha M. Strauss an unmarried woman	\$70,000
91	Leonard L. Teachenor & Therese M. Teachenor Trustees of the Leonard and Therese Teachenor Trust dated 2/12/01	\$50,000
92	Cal Terrill & Judy Terrill Trustees of the Terrill Family Revocable Living Trust dated 3/11/02	\$50,000
93	Jack S. Tiano Trustee for An Accountancy Corporation Profit Sharing Plan & Trust dated 02/28/1997	\$50,000
94	William E. Trappman and Carol B. Trappman husband and wife as joint tenants with the rights of survivorship	\$50,000
95	Carol A. Tripp a married woman dealing with her sole and separate property	\$50,000
96	T-2 Enterprises LLC. Manager Warren W. Tripp	\$75,000
97	T-3 Enterprises LLC. Manager Warren W. Tripp	\$50,000
98	Tripp Enterprises Inc. a Nevada corporation	\$100,000
99	Warren W. Tripp Trustee of the Tripp Enterprises Inc. Restated Profit Sharing Plan	\$50,000
100	Warren W. Tripp a married man dealing with his sole & separate property	\$100,000
101	Gary E. Tucker & Linda L. Tucker husband & wife as joint tenants with right of survivorship	\$50,000
102	George Turner an unmarried man	\$120,000
103	Robert H. Turner & Nancy A. Turner Trustees of the 1994 Turner Family Trust dated 9/23/94	\$100,000

104	USA Capital First Trust Deed Fund	\$671,000
105	Malden Ventures Ltd. Defined Benefit Pension Plan	\$50,000
106	Marsha G. Vieira an unmarried woman	\$250,000
107	Tobias Von Euw Trustee of the Tobias Von Euw Revocable Trust dated 11/23/04	\$80,000
108	Robert R. Wade Trustee of the Robert R. Wade Revocable Trust dated 5/22/01	\$70,000
109	Scott E. Wagner an unmarried man	\$80,000
110	David C. Wahl and Margaret A. Wahl husband and wife as joint tenants with the right of survivorship	\$50,000
111	Darren E. Watson A single man transfer on death to Linda L. Watson	\$50,000
112	Kurt Weber & Patricia Weber Husband and wife as joint tenants with right of survivorship	\$50,000
113	Bruce H. Womble & R. Joanne Womble Trustees of the Womble Living Trust dtd 2/3/98	\$100,000
114	Robert R. Wright & Betty M. Wright Trustees of the Wright Trust	\$50,000
115	Zawacki a California LLC	\$50,000
	TOTAL	\$9,640,000

**EXHIBIT "B"**

**FIRST AMENDMENT TO MORTGAGE**

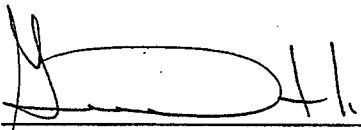
For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Mortgagor hereby agrees to the execution, delivery, and recording of this Amendment to that certain Mortgage (the "Mortgage") dated February 27, 2006, executed in favor of those persons listed on Exhibit "A" as Mortgagees. The Mortgage was recorded on March 15, 2006 as Document No 2006017332 in Book 8533, Page 0782 in the Official Records of Orange County, State of Florida.

Said Mortgage is hereby amended to add a new Exhibit "A" (in the form attached hereto) thereto to reflect the present Mortgagees.

Said Mortgage affects the real property described on Exhibit "B" hereto.

Dated this 15 day of March, 2006.

**MORTGAGOR:** Standard Property Development, LLC

By:   
George Venturella, Manager

**BENEFICIARY:** USA Commercial Mortgage Company, Attorney-in-Fact

By: \_\_\_\_\_  
Joseph D. Milanowski, President



August 4, 2006

Standard Property Development, LLC  
300 S. Orange Ave. Ste 1000  
Orlando, Florida 32801  
Attn: Steven Parmee

Re: Standard Property Development, LLC

Dear Steven Parmee:

USA Commercial Mortgage Company is the agent for the Lenders on the Loan described above. Standard Property Development, LLC is in default of its obligations under that Promissory Note executed in connection with the above-described loan, in that the Borrower has failed to pay monthly interest payment that was due on July 1, 2006. If you fail to cure these defaults within thirteen (13) days of the date of this letter, USA, on behalf of the Lenders, may declare the entire principal balance of the Note and all other obligations under the loan to be immediately due and payable in full. George Venturella and Steven Parmee are in default of their written guaranty in which they guaranteed and promised to pay all of the debts owed by Standard Property Development, LLC under the Note.

Pursuant to the terms of the Note, if you fail to cure the above-described defaults within the time stated in this notice, all sums owing under all of the Loan Documents shall bear interest from the date of default until paid in full at the default rate of twenty percent (20%) per annum.

Under the terms of the loan documents, and due to the default described above, Standard Property Development, LLC and George Venturella and Steven Parmee are liable for and responsible for payment of the attorneys' fees and costs incurred by USA in enforcing the rights of the Lenders and collecting the amounts owed, to the extent allowed by law.

If you require additional information, please contact Amanda Stevens at 702-734-2400. Nothing in this letter shall be deemed to be a waiver of any rights available to USA or Lenders, and all such rights are expressly reserved. Please also be advised that no communication from or on behalf of USA or Lenders shall be deemed to modify the terms of the written loan documents which govern your obligations, and no agreement, understanding, or forbearance regarding this loan transaction is binding upon USA or Lenders unless made in a writing or writings executed by USA, as agent of Lenders.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark L Olson", written over a horizontal line.

Mark L Olson  
COO

cc:

George Venturella  
Personal and Confidential  
300 S. Orange Ave. Ste 1000  
Orlando, Florida 32801

Steven Parmee  
Personal and Confidential  
300 S. Orange Ave. Ste 1000  
Orlando, Florida 32801